

BOB F. ANDERSON, PE, INC.
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August 20, 2004

Honorable James H. Welsh,
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Additional Unit
Glenrose Sand, Reservoir A
GR RA SU81
Benson Field
DeSoto Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **SILVER OAK OPERATING, INC.**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Glenrose Sand, Reservoir A, Benson Field, DeSoto Parish, Louisiana:

1. To create one (1) additional 160 +/- acre drilling and production unit for the exploration for and the production of gas and condensate for the Glenrose Sand, Reservoir A, in the Benson Field, DeSoto Parish, Louisiana, such unit to be designated GR RA SU81 and being shown on the attached plat and being made a part hereof.
2. To force pool and integrate all separately owned tracts, mineral leases and other property within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.
3. To designate Silver Oak Operating, Inc., as the unit operator for the proposed GR RA SU81 and their proposed Williams No. 2 Well as the unit well, in exception to the spacing provisions of the 496-H Series of Office of Conservation Orders, such well being shown on the attached plat and made a part hereof.
4. Except to the extent inconsistent herewith, to extend the provisions of 496-H Series of Office of Conservation Orders, to the proposed unit.
5. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

Hon. James H. Welsh
Benson Field
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The Glenrose Sand, Reservoir A, in the Benson Field, DeSoto and Sabine Parishes, Louisiana, was defined in Office of Conservation Order No. 496-H, effective July 23, 1982.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained **at the expense of the requesting party.**

A pre-application conference was held on Thursday, August 19, 2004, and the parties attending the conference is attached. After an explanation of the proposed application, no party expressed any opposition to the proposed unit and unit well.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

Attached hereto is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

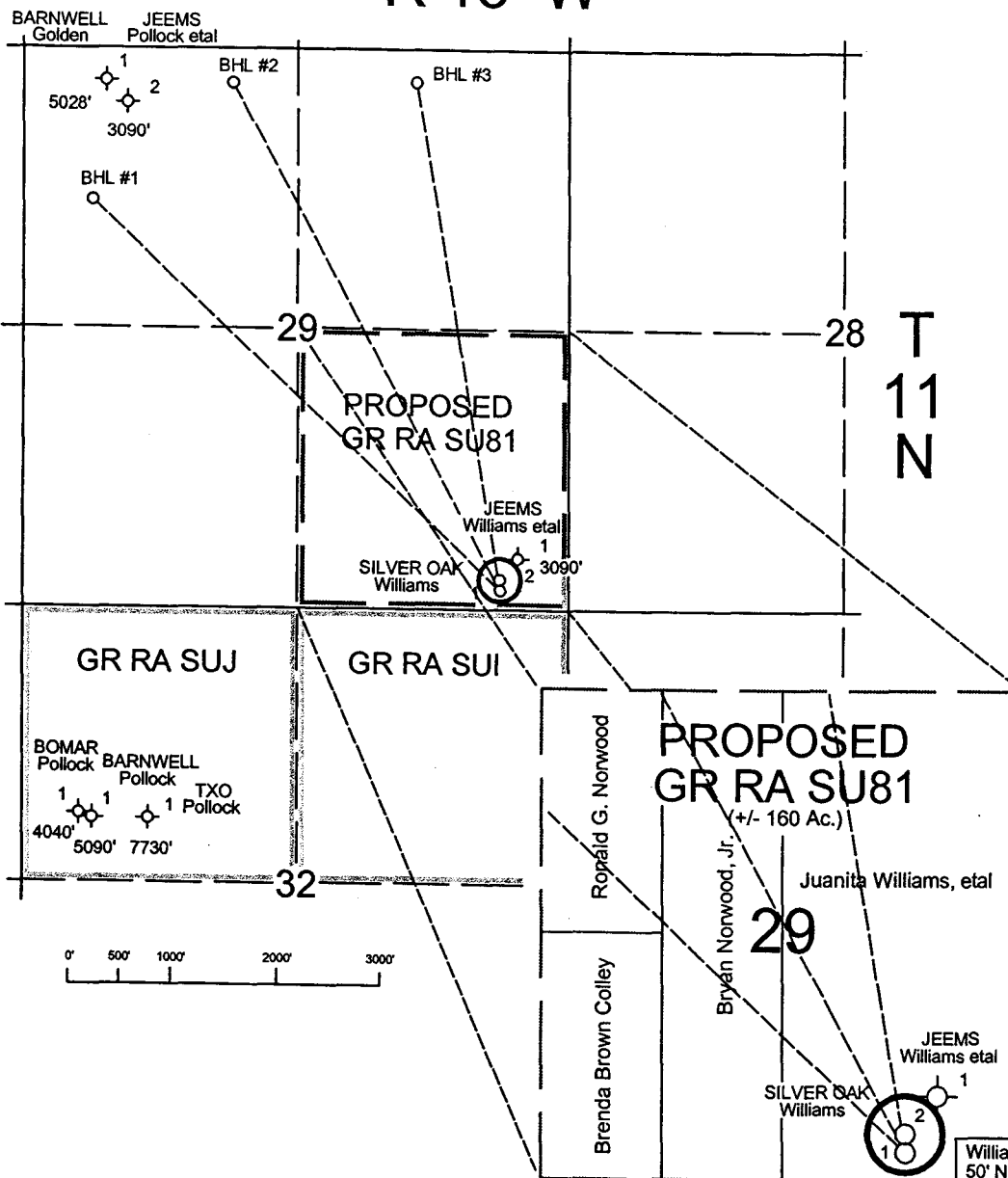
Yours truly,



B. F. Anderson, PE for
SILVER OAK OPERATING, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation
Interested Owners, Represented Parties and Interested Parties
Silver Oak Operating, Inc.

R 13 W



Williams #2 Well Is Located
50' N Of Williams #1 Surf. Loc.
290' FSL & 660' FEL Of Sec. 29

SILVER OAK OPERATING, INC.

BENSON FIELD
DESOTO PARISH, LOUISIANA

PROPOSED UNIT & UNIT WELL
AT EXCEPTIONAL LOCATION
GR RA SU81; WILLIAMS #2

EXHIBIT NO.1

PROPOSED GR RA UNIT OUTLINE (+/-160 AC.)

GR RA UNIT OUTLINE (+/-160 AC.)

PROPOSED UNIT WELL